

# Capital Advance Program Off-Site Bond

For use under Section 202 of the Housing Act of 1959  
or Section 811 of the National Affordable Housing Act

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0470 (exp. 12/31/93)

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**Know All Men By These Presents:** That We, \_\_\_\_\_ of

\_\_\_\_\_ (hereinafter called the Principal(s)) and \_\_\_\_\_, a Corporation organized under the laws of the State of \_\_\_\_\_, (hereinafter called the Surety) are held and firmly bound unto the Secretary of Housing and Urban Development (hereinafter called the HUD) in the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), for the payment whereof the Principal(s) and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally by these presents.

**Whereas,** \_\_\_\_\_ (hereinafter called the Mortgagor) has requested HUD to advance certain funds to Mortgagor for the purpose of constructing a Housing project to be located at \_\_\_\_\_, and identified as Project No. \_\_\_\_\_, said funds to be secured by a \_\_\_\_\_ (hereinafter called Mortgage), said Mortgage made by the Secretary of HUD; and

**Whereas,** HUD is unwilling to advance said funds to the Mortgagor without assurance that all off-site facilities and/or utilities necessary to operate successfully said project will be installed not later than \_\_\_\_\_, 19 \_\_\_\_\_; and

**Whereas,** The Principal(s) has (have) entered into a Construction Contract dated \_\_\_\_\_ with the mortgagor for the completion of off-site facilities and utilities necessary to operate successfully said project, as set forth in Exhibit A attached hereto and shown in detail in Drawings and Specifications entitled \_\_\_\_\_, dated \_\_\_\_\_, prepared by \_\_\_\_\_ Architect.

**Now, Therefore, The Condition Of This Obligation Is Such** that, if the Principal(s) shall install and complete said off-site facilities and/or utilities, or cause the installation and completion of said off-site facilities and/or utilities according to the aforesaid Exhibit and Drawings and Specifications within the time hereinabove specified, free from all liens and claims of any and all persons performing the labor thereon or furnishing materials therefor, or both, or in the default thereof, the Surety shall, promptly after written notice of such default, (1) perform said obligations and agreements, or (2) promptly pay to HUD, its successors or assigns, actual damages by reason of said default, then this obligation to be void, otherwise to remain in full force and effect.

No, suit, action, or proceeding by reason of any default whatever shall be brought on this bond after two years from the date said off-site facilities and/or utilities are to be installed, as hereinabove required.

It is understood and agreed by and between the parties hereto that this Bond may be assigned to the Mortgagor together with all rights and rights of action accruing herein to any owner or owners, and to the Secretary of HUD, his successor in office and assigns.

**Signed and Sealed** this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

Witness as to Principal:

Principal (Seal)

Surety

By